



**Unaudited Half Year Financial Statement And Dividend Announcement for the Period Ended 31/12/2019**

**PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS**

1(a) **A statement of comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

(a)(i)

	Group \$'000 31-Dec-19	Group \$'000 31-Dec-18	Change %
<b>Revenue</b>	8,777	8,392	4.6
Cost of sales	(4,152)	(4,032)	3.0
<b>Gross profit</b>	4,625	4,360	6.1
Other operating income	156	178	(12.4)
Distribution costs	(1,778)	(1,779)	(0.1)
Administrative expenses	(3,164)	(3,321)	(4.7)
Other operating expenses	(163)	(174)	(6.3)
Finance costs	(25)	-	n/m
<b>Loss before income tax</b>	(349)	(736)	(52.6)
Income tax expense	-	(1)	n/m
<b>Loss for the period</b>	(349)	(737)	(52.6)
<b>Other comprehensive income (loss):</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net fair value gain (loss) in equity instruments designated as at FVTOCI <sup>(1)</sup> arising during the year	(16)	-	n/m
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net fair value gain (loss) in debt instruments designated as at FVTOCI <sup>(1)</sup> arising during the year	25	-	n/m
Exchange differences arising on translation of foreign subsidiaries	(5)	11	n/m
Available-for-sale investments:			
Gain arising during the period	-	7	n/m
Reclassification to profit or loss from equity on disposal of available-for sale investments	-	(7)	n/m
<b>Other comprehensive income (loss) for the period</b>	4	11	n/m
<b>Total comprehensive loss for the period</b>	(345)	(726)	(52.5)

n.m - denotes not meaningful

(1) fair value through other comprehensive income

(a)(ii) **Notes to the  
Other disclosure items included in the above statement**

	GROUP \$'000 31-Dec-19	GROUP \$'000 31-Dec-18
Other operating income:		
Government grants	14	27
Dividend income from available-for-sales investments	49	61
Interest income	93	72
Gain on disposal of plant and equipment	-	12
Others	-	6
	156	178
Foreign exchange loss	(2)	(13)
Depreciation of plant and equipment	(237)	(254)
Depreciation of right-of-use assets	(652)	-
Allowance for doubtful debts	(22)	(23)
Plant and equipment written off	-	(50)

1(b)(i) **A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	<b>GROUP \$'000 31-Dec-19</b>	<b>GROUP \$'000 31-Dec-18</b>	<b>GROUP \$'000 30-Jun-19</b>	<b>COMPANY \$'000 31-Dec-19</b>	<b>COMPANY \$'000 31-Dec-18</b>	<b>COMPANY \$'000 30-Jun-19</b>
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	9,805	10,341	14,365	7,724	8,464	10,934
Trade receivables	1,832	1,855	1,197	1,214	1,284	605
Amount due from related companies, associates and related parties	-	-	-	1,141	454	817
Deposits, other receivables and prepayments	778	726	514	625	569	452
Inventories	4,609	4,955	1,908	3,006	2,972	1,247
<b>Total current assets</b>	<b>17,024</b>	<b>17,877</b>	<b>17,984</b>	<b>13,710</b>	<b>13,743</b>	<b>14,055</b>
<b>Non - current assets</b>						
Subsidiaries	-	-	-	3,099	3,089	3,099
Associates	-	-	-	-	-	-
Club membership	190	165	190	190	165	190
Available-for-sale investments	-	2,276	-	-	2,276	-
Financial assets at FVTOCI <sup>(1)</sup>	2,468	-	2,425	2,468	-	2,425
Plant and equipments	1,182	1,466	1,285	832	1,036	906
Right-of-use assets	1,810	-	-	1,614	-	-
Investment properties	14,633	15,827	14,633	14,633	15,827	14,633
<b>Total non - current assets</b>	<b>20,283</b>	<b>19,734</b>	<b>18,533</b>	<b>22,836</b>	<b>22,393</b>	<b>21,253</b>
<b>Total assets</b>	<b>37,307</b>	<b>37,611</b>	<b>36,517</b>	<b>36,546</b>	<b>36,136</b>	<b>35,308</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current liabilities</b>						
Trade payables	2,260	2,183	630	1,525	1,340	494
Amount due to related companies, associates and related parties	-	-	-	988	989	988
Other payables	1,806	1,857	2,019	1,288	1,429	1,451
Lease liabilities	993	-	-	796	-	-
Income tax payable	106	189	150	74	158	108
<b>Total current liabilities</b>	<b>5,165</b>	<b>4,229</b>	<b>2,799</b>	<b>4,671</b>	<b>3,916</b>	<b>3,041</b>
<b>Non-current liability</b>						
Other payables	186	205	203	150	159	162
Lease liabilities	835	-	-	834	-	-
Deferred tax liability	103	152	103	49	84	49
<b>Total non-current liabilities</b>	<b>1,124</b>	<b>357</b>	<b>306</b>	<b>1,033</b>	<b>243</b>	<b>211</b>
<b>Capital and reserves</b>						
Share capital	10,251	10,251	10,251	10,251	10,251	10,251
Currency translation deficit	(90)	(86)	(85)	-	-	-
Fair value adjustment surplus (deficit)	147	(12)	138	102	(12)	138
Accumulated profits	20,710	22,872	23,108	20,489	21,738	21,667
<b>Total equity</b>	<b>31,018</b>	<b>33,025</b>	<b>33,412</b>	<b>30,842</b>	<b>31,977</b>	<b>32,056</b>
<b>Total Liabilities and Equity</b>	<b>37,307</b>	<b>37,611</b>	<b>36,517</b>	<b>36,546</b>	<b>36,136</b>	<b>35,308</b>

1(b)(ii) **In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

**Amount repayable in one year or less, or on demand**

Not applicable

**Amount repayable after one year**

Not applicable

**Detail of any collateral**

Not applicable

1(c) **A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>GROUP \$'000 31-Dec-19</b>	<b>GROUP \$'000 31-Dec-18</b>
<b>Operating activities:</b>		
Loss before income tax	(349)	(736)
<u>Adjustments for:</u>		
Gain on disposal of financial assets at FVTOCI	-	1
Depreciation of plant and equipment	237	254
Depreciation of right-of-use assets	652	
Plant and equipment written off	-	50
Dividend income	(49)	(61)
Interest income	(95)	(72)
Allowance for doubtful debts - trade receivables	22	23
Net foreign exchange (gain) loss	(8)	12
Gain on disposal of plant and equipment	-	(12)
Operating cash flows before movements in working capital	410	(541)
Trade receivables	(657)	(843)
Deposit, other receivables and prepayments	(264)	(242)
Inventories	(2,701)	(2,843)
Trade payables	1,630	1,655
Other payables	(188)	(878)
Cash used in operations	(1,770)	(3,692)
Interest received	95	72
Income tax paid	(44)	(168)
Net cash used in operating activities	<b>(1,719)</b>	<b>(3,788)</b>
<b>Investing activities</b>		
Dividend income	49	61
Proceeds on disposal of plant and equipment	-	17
Proceeds on disposal of financial assets at FVTOCI	481	1,002
Purchase of plant and equipment	(131)	(259)
Purchase of financial assets at FVTOCI	(514)	(126)
Net cash (used in) generated investing activities	<b>(115)</b>	<b>695</b>
<b>Financing activities</b>		
Dividend paid	(2,049)	(1,025)
Repayment of lease liabilities	(677)	-
Cash used in financing activities	<b>(2,726)</b>	<b>(1,025)</b>
Net decrease in cash and cash equivalents	(4,560)	(4,118)
Cash and cash equivalents at beginning of year	14,365	14,459
<b>Cash and cash equivalents at end of period</b>	<b>9,805</b>	<b>10,341</b>

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>Group</b>	Share Capital \$'000	Currency Translation Deficit \$'000	Fair Value Adjustment Surplus \$'000	Accumulated Profits \$'000	Total \$'000
<b>Latest Period</b>					
<b>Balance as at July 1, 2019</b>	10,251	(85)	138	23,108	33,412
Total comprehensive income for the period					
Loss for the period	-	-	-	(349)	(349)
Other comprehensive (loss) income for the period	-	(5)	9	-	4
Total	-	(5)	9	(349)	(345)
Dividends, representing transaction with owners, recognised directly in equity				(2,049)	(2,049)
<b>Balance as at December 31, 2019</b>	<b>10,251</b>	<b>(90)</b>	<b>147</b>	<b>20,710</b>	<b>31,018</b>
<b>Previous Corresponding Period</b>					
<b>Balance as at July 1, 2018</b>	10,251	(97)	(12)	24,634	34,776
Total comprehensive loss for the period					
Loss for the period	-	-	-	(737)	(737)
Other comprehensive income for the period	-	11	-	-	11
Total	-	11	-	(737)	(726)
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,025)	(1,025)
<b>Balance as at December 31, 2018</b>	<b>10,251</b>	<b>(86)</b>	<b>(12)</b>	<b>22,872</b>	<b>33,025</b>

<b>Company</b>	Share Capital \$'000	Fair Value Adjustment Surplus \$'000	Accumulated Profits \$'000	Total \$'000
<b>Latest Period</b>				
<b>Balance as at July 1, 2019</b>	10,251	138	21,667	32,056
Total comprehensive income for the period				
Profit for the period	-	-	826	826
Other comprehensive income for the period	-	9	-	9
Total	-	9	826	835
Dividends, representing transaction with owners, recognised directly in equity			(2,049)	(2,049)
<b>Balance as at December 31, 2019</b>	<b>10,251</b>	<b>147</b>	<b>20,444</b>	<b>30,842</b>
<b>Previous Corresponding Period</b>				
<b>Balance as at July 1, 2018</b>	10,251	(12)	23,393	33,632
Total comprehensive loss for the period				
Loss for the period	-	-	(630)	(630)
Other comprehensive loss for the period	-	-	-	-
Total	-	-	(630)	(630)
Dividends, representing transaction with owners, recognised directly in equity	-	-	(1,025)	(1,025)
<b>Balance as at December 31, 2018</b>	<b>10,251</b>	<b>(12)</b>	<b>21,738</b>	<b>31,977</b>

1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares	Paid-up Capital S\$
Balance at 31 December 2019	<u>102,476,024</u>	<u>10,251,458</u>

There was no change in the Company's number of shares since 30 June 2019.

The Company has no treasury shares or convertible instruments as at 31 December 2019 and as at 31 December 2018.

1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 Dec 19	As at 30 Jun 19
The total number of issued ordinary shares excluding treasury shares	102,476,024	102,476,024

1(d)(iv) **A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.**

Not applicable.

1(d)(v) **A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at end of the current financial period reported on.**

Not applicable.

2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed.

3 **Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

3(a) **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion.**

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Note 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those adopted in the audited annual financial statements for the financial year ended 30 June 2019.

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted SFRS(I) 16 with effect from 1 July 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption and has no restated amount comparatives for the financial year ended 30 June 2019 reporting period as permitted under the specific transition provision in the standard.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	Group 31-Dec-19	Group 31-Dec-18
Earning per ordinary share for the period :-		
(i) Based on weighted average number of ordinary shares on issue	(0.34 cents)	(0.72 cents)
(ii) On a fully diluted basis	(0.34 cents)	(0.72 cents)

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (31 Dec 18: 102,476,024) ordinary shares in issue.

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding as at 31 December 2019.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
 (b) immediately preceding financial year**

	As at 31-Dec-19 Cents	As at 30-Jun-19 Cents
Group	30.27	32.60
Company	30.10	31.28

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Statement of comprehensive income

The Group recorded revenue of \$8.8 million for the half year ended 31 Dec 2019 ("1H2020"), an increase of 4.6% from \$8.4 million for the half year ended 31 December 2018 ("1H2019"). The is mainly due to higher revenue generated from the retail outlets. Gross profit correspondingly increased by \$0.2 million.

Other income remained relatively stable at \$0.2 million in both 1H2020 and 1H2019.

Total distribution, administrative and other operating expenses decreased by \$0.2 million to \$5.1 million mainly due to lower manpower cost.

Finance costs of \$0.03 million was due to the adoption of the new accounting standard, SFRS(I) 16 Lease, which recognised finance cost on lease liabilities.

Overall, the Group recorded a loss of \$0.3 million in 1H FY2020, as compared to a loss after tax of \$0.7 million in 1H FY2019.

Statement of financial position and statement of cash flows

Cash and cash equivalents decreased as at 31 Dec 2019 compared to 30 June 2019 largely due to a high build up of inventories to cater for Chinese New Year sales this year. Correspondingly, the Group's trade payables increased.

Net cash generated from investing activities was \$0.7 million, resulted from the redemption of the quoted investments and dividend from available-for-sale investments, less the purchase of the plant and equipment.

The cash flows used in financing activities during the six months ended 31 Dec 2019 resulted from the dividend payout of \$2.0 million and repayment of the finance lease obligation.

9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

10 **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

We are facing unpredictability and apprehension as a result of the novel coronavirus outbreak, which would negatively impact our businesses. The Group will continue to monitor the impact to our businesses.

11 **Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Nil

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Nil

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

12 **If no dividend has been declared/recommended, a statement to that effect and the reasons(s) for the decision.**

No interim dividend has been declared or recommended for the current reporting period on grounds of prudence.

13 **If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) during the period under review.

14 **Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

15 **Negative assurance on interim financial statement pursuant to Rule 705(5).**

The Board of Directors, hereby confirmed that, to the best of its knowledge, nothing has come to its attention which may render the unaudited half year financial results of the Group to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Alfred Wong Siu Hong  
Managing Director

12 February 2020